

OGB - 3
INSTRUCTIONS

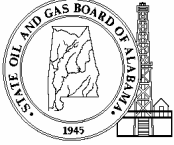
Read Carefully and Comply Fully

1. The surety on this bond must be a corporate surety company licensed to conduct such business in the State of Alabama, with the seal of the surety affixed.
2. If the principal is a corporation, this bond must be executed by its duly authorized officer(s), with the seal of the corporation affixed.
3. If the principal or surety executes this bond by agent, a power of attorney must accompany the bond.
4. If the principals are partners, their individual names shall appear in the body of this bond with the recital that they are partners composing a partnership and naming such partnership.
5. A bond containing a cancellation clause at the option of the surety or principal is not acceptable.
6. This bond shall not be affected by the nonpayment of premiums by the principal to the surety and shall not be canceled or released except by the State Oil and Gas Board of Alabama.
7. This bond must set forth the correct legal name and address of each and every principal, corporate or individual, including each partner of any partnership, and the correct legal name of such partnership, the correct legal name and address of the surety thereto and must be countersigned by an authorized Alabama resident agent of such surety, setting forth the correct legal name and address of such agent and such agent's company affiliation, if any, and correct business address.
8. Each corporate principal and each corporate surety must be lawfully authorized to do business in the State of Alabama and duly, properly, and lawfully registered with the Secretary of State of the State of Alabama or otherwise duly, properly, and lawfully registered to conduct such business in the State of Alabama.
9. Each bond must be acceptable by the State Oil and Gas Board of the State of Alabama or by the State Oil and Gas Supervisor before any principal or person shall begin or continue the drilling, operation, or production of any well.
10. The appropriate surety bond number assigned by the surety shall be placed in the upper right corner of this bond.
11. None of the above enumerated instructions shall be cause for the avoidance of the obligations and conditions set forth in this bond by any principal or surety.

State Oil and Gas Board personnel will not make additions to or change any part of a notarized form.

Form OGB - 3

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STATE OIL AND GAS BOARD OF ALABAMA

420 Hackberry Lane
P.O. Box 869999
Tuscaloosa, Alabama 35486-6999
(205) 349-2852 Fax (205)349-2861
www.ogb.state.al.us

Surety Bond No.

To be filled in by Board

Permit number

01- -

API number

Bond (Single Well)

Know All Men By These Presents, That I/we _____, as
principal(s), and _____

_____, as surety, are held hereby and firmly bound unto the State of Alabama in the penal
sum of _____ Thousand Dollars (\$ _____) lawful
money of the United States, for the faithful payment of which we hereby bind ourselves, our heirs, executors, administrators,
successors, and assigns, jointly and severally.

The conditions of this obligation are that whereas the above bounden principal(s) propose(s) to commence or continue the
drilling, operation, or production of a well in search of oil or gas, or the drilling or operation of a Class II injection, or the drilling or
operation of a well for the underground storage of gas in reservoirs to be known as

the _____ well
located in Section _____, Township _____, Range _____, or Tract _____, in _____ County, Alabama

Now, therefore, if said well is drilled, operated, or produced, in compliance with state law, the rules, regulations and orders of the
State Oil and Gas Board; if the above bounden principal(s) shall prevent the escape of oil or gas out of one stratum to another,
prevent the intrusion of water into any oil or gas stratum from a separate stratum, prevent the pollution of the sea, prevent pollution
of all surface and ground water; and if the above bounden principal(s) shall file all reports required by the Board, including drilling
records and all logs of such well, if taken, and shall file drill cuttings and cores or core slabs, if cores are taken, within six (6) months
from the time of completion of such well, and in the event such well does not produce oil or gas in commercially profitable quantities
or ceases to produce oil or gas in commercially profitable quantities or if the operations of such well shall cease for a period of six (6)
months or if such well should become dangerous to the public; and conditioned also that such principals(s) shall plug and abandon
such well, dispose of all pit or tank fluids, close the pit, restore or clear the location, and maintain the site; and conditioned further that
such principals(s) shall drill, operate, produce, and plug and abandon, said well, and that such principal(s) shall dispose of all pit
or tank fluids, close the pit, restore or clear the location, and maintain the site in compliance with all lawful rules, regulations, and
orders of the Board now existing or hereafter promulgated, and with the laws of the State of Alabama now existing or hereafter
enacted, then this obligation is void; otherwise the same shall be and remain in full force and effect.

In Testimony Whereof, Witness Our Hands, this _____ day of _____, 20 _____

Signature

Print or Type Name

Position or Officer

Name and Address of Principal(s)

In Testimony Whereof, Witness Our Hands, this _____ day of _____, 20 _____

Surety Signature

Name and Address of Surety

Signature of Duly Authorized Agent of Said Surety

Name and Address of Agent